SECOND REGULAR SESSION

HOUSE BILL NO. 1519

96TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE McGHEE.

5158L.02I

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8 9 D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To repeal section 160.400, RSMo, and to enact in lieu thereof one new section relating to charter schools.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 160.400, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 160.400, to read as follows:

160.400. 1. A charter school is an independent public school.

- 2 2. Charter schools may be operated only in a metropolitan school district or in an urban school district containing most or all of a city with a population greater than three hundred fifty thousand inhabitants and may be sponsored by any of the following:
- 5 (1) The school board of the district;
 - (2) A public four-year college or university with its primary campus in the school district or in a county adjacent to the county in which the district is located, with an approved teacher education program that meets regional or national standards of accreditation;
 - (3) A community college located in the district; or
- 10 (4) Any private four-year college or university located in a city not within a county with 11 an enrollment of at least one thousand students, and with an approved teacher preparation 12 program.
- 3. The mayor of a city not within a county may request a sponsor under subdivision (2),
- 14 (3), or (4) of subsection 2 of this section to consider sponsoring a "workplace charter school",
- 15 which is defined for purposes of sections 160.400 to 160.420 as a charter school with the ability
- 16 to target prospective students whose parent or parents are employed in a business district, as
- 17 defined in the charter, which is located in the city.

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

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18 4. No sponsor shall receive from an applicant for a charter school any fee of any type for the consideration of a charter, nor may a sponsor condition its consideration of a charter on the 20 promise of future payment of any kind.

- 5. The charter school shall be a Missouri nonprofit corporation incorporated pursuant to chapter 355. The charter provided for herein shall constitute a contract between the sponsor and the charter school.
- 6. As a nonprofit corporation incorporated pursuant to chapter 355, the charter school shall select the method for election of officers pursuant to section 355.326 based on the class of corporation selected. Meetings of the governing board of the charter school shall be subject to the provisions of sections 610.010 to 610.030, the open meetings law.
- 7. A sponsor of a charter school, its agents and employees are not liable for any acts or omissions of a charter school that it sponsors, including acts or omissions relating to the charter submitted by the charter school, the operation of the charter school and the performance of the charter school.
- 8. A charter school may affiliate with a four-year college or university, including a private college or university, or a community college as otherwise specified in subsection 2 of this section when its charter is granted by a sponsor other than such college, university or community college. Affiliation status recognizes a relationship between the charter school and the college or university for purposes of teacher training and staff development, curriculum and assessment development, use of physical facilities owned by or rented on behalf of the college or university, and other similar purposes. The primary campus of the college or university must be located within the county in which the school district lies wherein the charter school is located or in a county adjacent to the county in which the district is located. A university, college or community college may not charge or accept a fee for affiliation status.
- 9. The expenses associated with sponsorship of charter schools shall be defrayed by the department of elementary and secondary education retaining one and five-tenths percent of the amount of state and local funding allocated to the charter school under section 160.415, not to exceed one hundred twenty-five thousand dollars, adjusted for inflation. Such amount shall not be withheld when the sponsor is a school district or the state board of education. The department of elementary and secondary education shall remit the retained funds for each charter school to the school's sponsor, provided the sponsor remains in good standing by fulfilling its sponsorship obligations under sections 160.400 to 160.420 and 167.349 with regard to each charter school it sponsors, including appropriate demonstration of the following:
- (1) Expends no less than ninety percent of its charter school sponsorship funds in support of its charter school sponsorship program, or as a direct investment in the sponsored schools;

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53 (2) Maintains a comprehensive application process that follows fair procedures and 54 rigorous criteria and grants charters only to those developers who demonstrate strong capacity 55 for establishing and operating a quality charter school;

- (3) Negotiates contracts with charter schools that clearly articulate the rights and responsibilities of each party regarding school autonomy, expected outcomes, measures for evaluating success or failure, performance consequences, and other material terms;
- (4) Conducts contract oversight that evaluates performance, monitors compliance, informs intervention and renewal decisions, and ensures autonomy provided under applicable law; and
- (5) Designs and implements a transparent and rigorous process that uses comprehensive data to make merit-based renewal decisions.
- 10. No university, college or community college shall grant a charter to a nonprofit corporation if an employee of the university, college or community college is a member of the corporation's board of directors.
- 11. No sponsor shall grant a charter under sections 160.400 to 160.420 and 167.349 without ensuring that a criminal background check and child abuse registry check are conducted for all members of the governing board of the charter schools or the incorporators of the charter school if initial directors are not named in the articles of incorporation, nor shall a sponsor renew a charter without ensuring a criminal background check and child abuse registry check are conducted for each member of the governing board of the charter school.
- 12. No member of the governing board of a charter school shall hold any office or employment from the board or the charter school while serving as a member, nor shall the member have any substantial interest, as defined in section 105.450, in any entity employed by or contracting with the board. No board member shall be an employee of a company that provides substantial services to the charter school. All members of the governing board of the charter school shall be considered decision-making public servants as defined in section 105.450 for the purposes of the financial disclosure requirements contained in sections 105.483, 105.485, 105.487, and 105.489.
- 13. A sponsor shall provide timely submission to the state board of education of all data necessary to demonstrate that the sponsor is in material compliance with all requirements of sections 160.400 to 160.420 and 167.349.
- 14. The state board of education shall ensure each sponsor is in compliance with all requirements under sections 160.400 to 160.420 and 167.349 for each charter school sponsored by any sponsor. The state board shall notify each sponsor of the standards for sponsorship of charter schools, delineating both what is mandated by statute and what best practices dictate.

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The state board, after a public hearing, may require remedial action for a sponsor that it finds has not fulfilled its obligations of sponsorship, such remedial actions including withholding the sponsor's funding and suspending for a period of up to one year the sponsor's authority to sponsor a school that it currently sponsors or to sponsor any additional school. If the state board removes the authority to sponsor a currently operating charter school, the state board shall become the interim sponsor of the school for a period of up to three years until the school finds a new sponsor or until the charter contract period lapses.

15. When a charter school closes, the governing school board or appointed school board shall ensure that any remaining cash assets of the charter school shall be returned to the department of elementary and secondary education for their disposition.

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